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# Deal with Iran possibly broke law on exports

By Mary Beicher  
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President Reagan might have broken the law in secretly shipping arms and spare parts to Iran because nations listed as terrorist states are barred from receiving certain U.S. supplies, congressional sources said yesterday.

Under the Export Administration Act, the president cannot ship certain goods to terrorist states without notifying the House Banking and Foreign Affairs committees and the Senate Foreign Relations Committee, the sources said.

Iran is one of five nations on the terrorist list that also includes Cuba, Libya, Syria and South Yemen.

The kinds of goods generally barred from going to terrorist states under this law include high-technology and non-military items that could further terrorist activities. Mr. Reagan disclosed last week that he approved shipments of unspecified defensive weapons and spare parts to Iran that eventually

led to the release of American hostages held by pro-Iranian groups in Beirut.

A State Department source said it is unclear whether the unspecified items included in the secret arms shipments would be covered by the Export Administration Act, which generally controls non-military goods and technology. The law also regulates the export of "dual-purpose" items, such as helicopters, trucks and other goods, that could be used for military purposes.

Another law, the Arms Export Control Act, limits weapons exports but allows the president to waive congressional notification in some circumstances. Mr. Reagan, in a Wednesday night press conference, said the United States shipped to Iran TOW anti-tank missiles — the most powerful anti-tank weapon in the U.S. arsenal.

Members of Congress already have expressed anger about Mr. Reagan's failure to notify them in a

"timely" fashion of his secret Iranian operation, as required by the National Security Act.

Mr. Reagan followed the legal advice of Attorney General Edwin Meese III in initiating covert contacts with Iran, which began 18 months ago, White House spokesman Larry Speakes said yesterday.

"I'm told that the president consulted with the attorney general throughout and that was the view of the attorney general and the president that what was being done was legal," Mr. Speakes said.

"The law really has not been followed," Rep. Jim Wright, the Texas Democrat in line to become the next speaker of the House, said after meeting with the president at the White House yesterday to discuss the upcoming congressional agenda.

Mr. Wright said if Mr. Meese advised Mr. Reagan that he could keep the operation secret from Congress, it "would have been very bad advice indeed."

National Security Adviser John Poindexter will meet with the House and Senate intelligence committees at the White House today to brief them on the secret operation. CIA Director William Casey will testify in closed sessions before both committees today on Capitol Hill.

As unanswered questions continue to beleaguer the White House, former National Security Adviser Robert McFarlane yesterday tried to take the blame for the fiery controversy surrounding the Iranian operation.

"As a senior adviser to the president, I should have anticipated this potential outcome," Mr. McFarlane said in a written statement. "The failure to do so represents a serious error in judgment for which I accept full responsibility."

Mr. McFarlane, who made a secret mission to Iran in May, resigned as national security adviser in De-

cember 1985. He was Mr. Reagan's top adviser on the hostage matter when the president approved a plan to foster ties with moderate elements in Iran 18 months ago.

Exiled former Iranian President Abolhassan Bani-Sadr told Reuters yesterday in Paris that Mr. McFarlane made a second trip to Iran in August, around the time Mr. Khomeini made a speech warning detractors of the government to tone down their criticism.

Mr. McFarlane yesterday said he is able to draw a "distinction between the need to strengthen reform-oriented Iranians and the unacceptable trading of arms for hostages." The American public, he said, has not accepted the distinction.

"Thus, however well-meaning and defensible our purposes were, to the extent that the introduction of arms transfers into the process has led to understandable turmoil that can have a very damaging effect on the ability of our country to lead, it was a mistake," Mr. McFarlane said.

Mr. Speakes said the president retains complete faith in the National Security Council, which oversaw the Iranian operation, and that it provided him with well-rounded advice.

If the Iranian operation had been allowed to "run its course," Mr. Speakes said, "it stood an excellent chance of paying off and paying major dividends for U.S. policy."

"At that point, the president and his administration and the NSC — all those who participated in it — would have come out as brilliant foreign policy strategists and heroes," he said.

Mr. Speakes yesterday refused to discuss White House approval of a third country's shipment of U.S. arms to Iran, despite reports that Israel made such a shipment last September before the release in Beirut of American hostage Benjamin Weir.

A senior administration official indicated, however, that U.S. approval of the shipment came after it was made, not before, and that it was in the interest of the United States.